

FROM
WALKER, ANDREWS & CO.

14 WALL STREET,

NEW YORK.

C. F. Bond

THE INDIANA

AND

ILLINOIS CENTRAL

RAILWAY,

AND THE

FIRST MORTGAGE 7 PER CENT. SINKING FUND

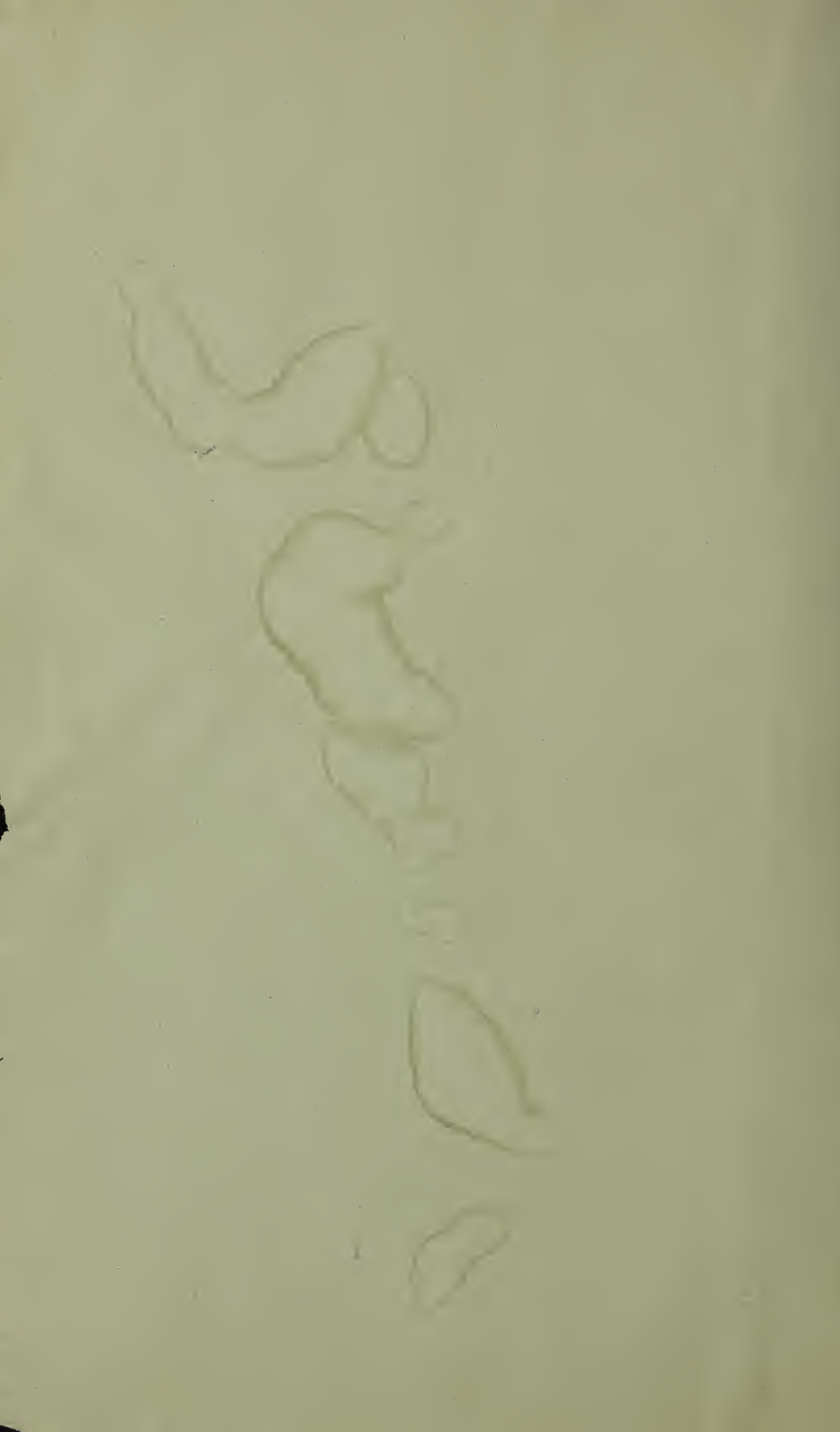
GOLD BONDS

ISSUED UPON IT.

NEW YORK:

COWAN, McCLURE & CO.

1872.



C. F. Ward.





Maps showing the
INDIANA & ILLINOIS CENTRAL
RAILWAY.
AND ITS CONNECTIONS.

PREPARED BY GW & C.B. COLTON & CO. 172 WILLIAM STREET NEW YORK.

A
STATEMENT
RESPECTING THE
Indiana & Illinois Central
RAILWAY COMPANY
BUILDING AN
East and West Air Line of 152 Miles between
Indianapolis, Ind., and Decatur, Ill.,
SHOWING THE
BASIS AND SECURITY
OF ITS
FIRST MORTGAGE 7 PER CENT. SINKING FUND
GOLD BONDS.

NEW YORK :
COWAN, MCCLURE & CO., Printers, 35 Pine and 95 Reade Sts.
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5/5/5 George P. Brown = an

The endeavor has been to answer, in this pamphlet, all of these pertinent questions so far as they affect the Indiana and Illinois Central Railway, and the security of the First Mortgage Bonds upon the line, which are now first offered to the public.

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STATEMENT.

The Indiana and Illinois Central Railway is a line located, and in part constructed, between the cities of Indianapolis Indiana, and Decatur Illinois. It is 152 miles long, and passes through the counties of Marion, Hendricks, Putnam, Parke and Vermillion, in Indiana; and Edgar, Douglass, Piatt, Moultrie and Macon in Illinois. It passes so near also to the southerly line of the County of Vermillion in Illinois, as to insure to it a considerable business from that county. For convenience of designation the line is divided into two divisions, the Eastern, of 67 miles, extending from Indianapolis to the Wabash river; and the Western, of 85 miles, from the Wabash river to Decatur.

The termini of the roads are nearly upon the same meridian, and its route is nearly the shortest line which can be drawn between them. It makes slight deflections to the north on approaching the valleys of the Wabash and Sangamon rivers, but otherwise its course is due East and West.

INDIANAPOLIS,

The Eastern terminus, and the capital of Indiana, has a population of more than 60,000, and is growing with great rapidity. Next to Chicago, it is the largest

railway centre of the West. Lying in latitude 40, which is also the meridian of Philadelphia, Columbus Ohio, Decatur and Springfield Illinois, St. Joseph Missouri, and Denver Colorado, it is in the line of the greatest East and West travel, and must become, year by year, a more important thoroughfare. The lines of railway reaching out to the further West and to the Pacific, and converging from Boston, New York, Philadelphia, Baltimore and Norfolk, meet at Indianapolis, and thence pursue westward routes common to them all. Either at Indianapolis, or at Decatur and Springfield in Illinois, also diverge the great routes which lead to the Pacific and the South-West—over the Union Pacific, the Kansas Pacific, the Atlantic and Pacific, and the Cairo and Fulton roads. Owing to the high mountain ranges which lie south of the Ohio river, the great arteries of commerce, between the Atlantic seaboard and the states West of the Mississippi, must always run between the Ohio and the great lakes; where nature has provided a good and ample highway for their accommodation. Indianapolis lies midway between these natural boundaries, and no point North or South of it is as well situated to receive and distribute business, from and for all portions of the country.

Eleven railways already converge to this city, and the Indiana and Illinois Central will make the twelfth. The existing lines are the Indianapolis and St. Louis; the St. Louis, Vandalia and Terre Haute; the Indianapolis and Vincennes; the Jeffersonville, Madison and Indianapolis; the Indianapolis and Cincinnati; the Cincinnati and Indianapolis Junction; the Pittsburg, Cincinnati and St. Louis; the Cleveland, Columbus, Cincinnati and Indianapolis; the Indianapolis, Peru

and Chicago; the Lafayette and Indianapolis; and the Indianapolis, Bloomington and Western.

The trains over all these railways meet in one large Union Depot, of which the buildings and tracks are owned by the Union Railway Company, to the stock of which several of the most important companies have contributed, and in which all of them are expected soon to participate.

With such a concentration of railway lines, lying midway between the Atlantic and Border States, and between the Ohio river and the Lakes, in the heart of a country of unsurpassed fertility and inexhaustible mineral wealth, Indianapolis cannot fail to become one of the largest interior cities of the United States.

DECATUR,

The Western terminus, occupies a position almost equally central in the State of Illinois. It has a population of 8,000, and is also a very important railway centre. Railways already reach it from six directions, the main line of the Illinois Central and the Toledo, Wabash and Western, crossing each other nearly at a right angle, at this point, to which also converge the Decatur and East St. Louis, the Pekin, Lincoln and Decatur, and the Monticello roads. Five other lines are also building to the same point, namely, the Peoria, Atlanta and Decatur, the Decatur and State Line, the Paris and Decatur, the Decatur, Sullivan and Mattoon, and the Indiana and Illinois Central. Another important line is also projected, and will undoubtedly be built from Decatur, Southwesterly to Rodehouse on the St. Louis, Jacksonville and Chicago road, from which point a line is now completed to the Mississippi River

at Louisiana, the Eastern terminus of the Louisiana and Mississippi River R. R., which will be completed to Kansas City early in 1873. These important lines are leased and controlled by the Chicago and Alton Co., and when the link between Decatur and Rodehouse is supplied, will furnish to the Indiana and Illinois Central a very direct route to Colorado and the Pacific over the Kansas Pacific, the North Missouri, and the St. Joseph and Denver City roads; as well as to South West over the Missouri, Kansas and Texas. A still more direct connection with the Union Pacific railway, will be had over the Toledo, Wabash and Western, the Hannibal and St. Joseph, and the St. Joseph and Denver City roads. By this line, the distance between Fort Kearney, on the Union Pacific, and New York, will be 232 miles shorter than by way of Chicago and Omaha, which is equivalent to a saving of twelve hours' travel.

The distance between Indianapolis and Decatur will be 10 or 15 miles shorter by the Indiana and Illinois Central than by any other road existing or projected, so that both the local and through traffic between these cities must seek this in preference to any other route. It is a link which has long been wanting in the chain of east and west communication, and which is now rendered indispensable by the rapid development of business in that region.

RAILWAY CONNECTIONS BETWEEN TERMINI.

Although its terminal connections are the most important, the road will also derive great advantages from the railways which it crosses or meets between those points.

Going Westward from Indianapolis, it first crosses the Louisville, New Albany and Chicago R. R., at Bainbridge, in Putnam County; next, at Rockville, in Parke County, it crosses the Logansport, Crawfordville and South Western and the projected line of the Indiana North and South R. R's.; at Montezeuma on the east bank of the Wabash, it meets or will form a junction with the Montezeuma, Brazil and Raccoon Valley R. R., a road to be built the present year through the Valley of the Big Raccoon Creek to Brazil, crossing the finest coal-fields of Parke and Clay Counties, and insuring a large and immediate coal traffic to the Western division of the Indiana and Illinois Central upon its completion. On the west bank of the Wabash, it crosses the Evansville, Terre Haute and Chicago Road, the most successful of the new coal roads of Indiana, with which it will also have important traffic connections. In Illinois it crosses, first, the Paris and Danville Road, about eight miles West of the State line, and the Chicago branch of the Illinois Central at Tuscola, the county seat of Douglass County. All these intermediate roads pursue a different direction from the Indiana and Illinois Central, and being crossed at large angles, will be important feeders to it, inasmuch as the dominant direction of traffic in the Western States is East and West, and roads which follow that direction are certain to receive more than they give to lines which cross them from the North and South.

COUNTRY TRAVERSED BY THE LINE.

The belt of country through which the road passes, is of an *average width of thirty miles, with no other East and West line built or projected through it.*

Though this belt is narrower than above stated at either end, it is much wider in the middle, being more than fifty miles wide in the valley of the Wabash—the garden valley of the West. There is no more fertile country, in either Indiana or Illinois, than the counties which the line traverses; and none of the purely agricultural sections more densely populated or highly productive. The Chief Engineer, after surveying the location of the road, reports “the route of this road in both states is through a tier of the very best agricultural counties of either state; there are no waste or unoccupied lands on the road in Indiana, and but a very small amount yet unoccupied in Illinois, the whole country being highly cultivated farms, with good buildings, and other improvements. Stock raising is extensively engaged in by the people, and their annual surplus of hogs and cattle, now driven to other railroads, will afford business for your road immediately on its completion. There is also a large surplus of corn and wheat seeking an outlet to a market, which will at once come to your road.”

The Hon. D. W. Voorhees, who has for many years represented the Indiana portion of this country in Congress, writes: “My opportunities for knowing the advantages of the route of your road, have been most ample. I have been over almost every mile of it in person, and I pronounce it, without hesitation, the best unoccupied railroad route in the state; nor has it any superior anywhere East or West. The census returns show that the counties of Marion, Hendricks, Putnam, Parke and Vermillion, through which it passes in Indiana, compare very favorably in agricultural productiveness with the best of the famous ‘blue grass’

counties of Kentucky, to which, indeed, they bear a strong resemblance. The facilities for stock raising are as great as can be found anywhere in the United States; and these counties are all stocked with horses, mules, cattle, sheep and hogs of the best breeds, in this or any other country. In fact, there are importations every year from Europe, by the prominent stock raisers of this portion of Indiana. You will see at once that the local business of your road will be very great. It will be more than sufficient alone to pay for its construction, and make remunerative dividends. No one can doubt this, who is at all familiar with the country through which you propose to run, and the people who inhabit it. All that I have said, so far as the fertility of resources is concerned, will apply to your route after you enter Illinois, as well as to the Indiana branch of your line."

Professor E. J. Cox, State Geologist of Indiana, writes: "In regard to the country through which your road passes, I can say, that for agricultural purposes it is unsurpassed by any other district of the State. Good farms are opened along the line, and are in a fine state of cultivation. The uncultivated portions are heavily timbered with white oak, red oak, poplar, black walnut, hickory, &c."

The Hon. T. A. Morris, late President of the Indianapolis and St. Louis Railway, writes: "I believe that your road runs through a country of unsurpassed fertility, already highly cultivated, and producing a large agricultural surplus. Its position as a line to gather business from the West for the East I regard as very favorable."

The Hon. O. P. Morton, U. S. Senator from Indiana,

writes: "The projected road from Indianapolis West through Rockville to Decatur, Illinois, I regard as a very important one. It traverses country not excelled in this State or Illinois in fertility or resources, occupied by an intelligent and enterprising population; when finished it will, in my judgment, be an excellent road and a good investment."

Of the Western or Illinois division of the road, E. T. Garlick, Esq., proprietor of the Brazil Iron Works, Indiana, writes: "The Western division, commencing at Decatur, and terminating at the Wabash river, traverses one of the most fertile and inexhaustibly rich sections of prairie country on this continent, and almost from the completion of your road, your resources will be taxed to the utmost to provide the equipment necessary to secure the crops and stock that will seek a market over it."

The Hon. J. W. Palmer, late Governor of the State of Illinois, writes: "I am, and have been for many years, acquainted with the country over which your line of railway will pass, and have to say that it is equal to any in the State; and I am also prepared to say, that the business of the road, when it shall be put in operation, must be profitable. *The line is very popular with the people*, and the local subscriptions will no doubt be met according to their terms."

Numerous letters of the same purport will be found in a later portion of this pamphlet. They have been selected from a large correspondence with a view to present the opinions of the most intelligent and respected men of both States, forming their judgment from the stand-point of different professions and experience. None of the writers have any pecuniary interest in the road.

The United States Census returns, for 1870, confirm the testimony of these witnesses. According to the census valuations, the States of the Union foremost in wealth, stand in the following order: New York, Pennsylvania, Ohio, Massachusetts, Illinois, Missouri and Indiana. Missouri is much larger in territory than either of the others, but in density of population and in the average wealth of each inhabitant, it is behind Indiana. A few statistics relating to the counties in Indiana and Illinois, through which the Indiana and Illinois Central railway will pass, (including Vermillion County, Illinois, which lies so near to it as to be certain to contribute largely to its business), are herewith presented in tabular form. This table gives the following results:—

Population,	255,877
Valuation of Property,	\$228,841,228
Acres of land improved,	1,908,237
“ “ woodland,	631,529
“ “ unimproved,	101,686
Bushels of wheat, (1869),	3,211,243
“ “ corn, “	15,454,883
“ “ oats, “	2,104,014
Value of animals slaughtered or sold for slaughter,	\$6,863,779
Value of all live stock,	17,347,697

These figures, it will be remarked, were for the year 1869. In the three years which have since elapsed, all of them have been largely increased.

To each mile of the Indiana and Illinois Central Railway, there is a population in those counties, contributing to its local business, of 1,683 persons, and a property valuation of \$1,500,000.

Table showing the Population, Valuation, Acres Improved, Woodland, Acres Unimproved, Bushels of Wheat, Corn and Oats produced, Value of Animals Slaughtered or Sold for Slaughter, and Value of all Live Stock of the several Counties on, or immediately adjoining, the line of the Indiana and Illinois Central Railway. From the United States Census Report of 1870.

ILLINOIS.	Population.	Valuation.	Acres Improved.	Woodl.d.	Unim- proved.	Bushels of Wheat.	Corn.	Oats.	Val. of Anim's Sld	Val. of all Live Stock.
Douglass	13,484	\$9,393,804	147,633	11,897	7,316	73,144	1,680,225	225,074	329,010	\$986,233
Edgar	21,450	17,338,040	265,458	66,803	14,282	260,643	1,107,615	290,679	1,130,943	2,307,567
Macon	26,481	20,456,232	205,259	18,153	9,115	251,852	2,214,468	454,648	623,527	1,608,466
Moultrie	10,385	7,296,464	144,220	24,783	13,112	213,564	1,753,141	263,992	363,346	1,105,444
Platt	10,953	10,363,636	94,454	5,978	13,897	66,144	1,029,725	130,610	349,536	696,031
Vermillion	30,388	26,426,852	360,251	53,078	31,122	294,364	2,818,027	436,051	1,164,084	3,159,545
Total, Illinois	113,141	91,275,028	1,217,275	180,692	88,844	1,160,711	10,603,201	1,891,054	3,969,446	\$9,863,286
INDIANA.										
Hendricks	20,277	\$20,000,000	129,838	104,841	7,481	376,992	975,825	53,501	654,466	1,645,701
Marion	71,939	75,000,000	138,859	86,276	1,746	613,267	1,305,988	78,246	618,608	1,488,105
Parke	18,166	15,746,300	167,788	87,227	2,304	502,230	982,628	48,391	517,379	1,570,744
Putnam	21,514	16,819,900	166,889	110,428	698	297,797	988,919	68,565	862,463	2,182,097
Vermillion	10,840	10,000,000	87,588	62,065	613	261,246	598,322	54,257	241,419	597,764
Total, Indiana	142,736	137,566,200	690,962	450,837	12,842	2,050,532	4,851,682	302,960	\$2,894,335	\$7,484,411
do, Illinois, &c.	113,141	91,275,028	1,217,275	180,692	88,844	1,160,711	10,603,201	1,891,054	3,969,444	9,863,286
Total both States	255,877	\$228,841,228	1,908,237	631,529	101,686	3,211,243	15,454,883	2,104,014	\$6,863,779	\$17,347,697

BLOCK COAL.

Reference has hitherto been made only to the agricultural resources of the country traversed by the Indiana and Illinois Central Railway. A much larger and more expanding traffic will be derived from the carriage of coal. In Parke and Vermillion Counties, the road passes, for a distance of over twenty miles, through the bituminous coal-field of Indiana, of which seven or eight miles are through the recently discovered but already famous Block Coal field. The discovery of this coal and of its peculiar adaptation to the smelting of iron ores, and the production of steel, is one of the most remarkable and beneficent discoveries of which this country has had the benefit. It has materially affected the future of the whole Western country, but especially of the state of Indiana. Hitherto one of the most productive agricultural states, it is now to enter upon a new career, that of mining and manufacturing industry. The discovery of a fuel which, used in its raw state, will produce a quality of pig-iron hitherto only to be obtained, at a high cost, by the use of charcoal, was the only condition wanting to transfer, from the Eastern to the Western states, the manufacture of iron for railways and all other purposes. The country about Lake Superior and the Iron Mountain of Missouri already supplies the best iron ores, and the interchange of these essential elements of production will, for all time, furnish a remunerative traffic to the railways which lie between them.

Col. John W. Foster, of Chicago, formerly at the head of the Land Department of the Illinois Central R. R. Co., and a geologist of large experience, has

published much valuable information respecting the Block Coal of Indiana, from which a few interesting particulars will be stated here. He thus describes it:

"The term 'block,' as applied to coal of this description, is a provincialism which originated in the Mahoning Valley, Ohio, and which has been transplanted to Indiana; but it has become too firmly rooted to be eradicated, and therefore it must be incorporated as a legitimate word into the geological vocabulary. Throughout its whole range this constant character appertains to it, and that is a system of joints which traverses the whole mass, and which appears to have been formed after the deposition of the materials which now enter into the coal. It is apparently due to a force which acted independently of that of consolidation. Where a considerable area is laid bare, the surface resembles a tessellated pavement, and when viewed in a section, the appearance is as though block upon block, each of uniform size, had been artificially piled up. These blocks are from one to three feet in length, and a foot or more in width, and the miner, availing himself of the natural divisions, is able to take down the coal, after having undermined three or four inches at the base, without a resort to gunpowder. He can easily take down three tons a day. The surface of the joints is of a dull, blueish color, and is often stained white by fire-clay, while along the lines of cleavage is seen a compacted mass of mineral charcoal, so slightly cemented by bitumen as readily to creak in handling. This coal burns with a bright yellowish flame, giving off little fuliginous matter; it maintains its form in burning, thus affording free air-passages; is sufficiently firm to hold up the burden of a furnace; in chemical

composition it gives from 57 to 62 per cent. of fixed carbon, a small amount of hygrometric moisture, and a small amount of ash, of a white or gray color, indicative of the absence of bi-sulphuret of iron. These qualities make this coal highly prized as an ordinary fuel, such as for grate purposes, locomotives, and ocean navigation, but above all for iron smelting."

The discovery of the qualities of Block Coal seems to have been altogether accidental.

"Six years ago," writes Col. Foster, "Brazil, Indiana, was an obscure station on the Indianapolis and Terre Haute Railroad. A single shaft, ninety feet in depth, worked by a horse whim, supplied the neighborhood demand for coal. The behavior of this coal in combustion excited no particular remark. A small quantity found its way to the Indianapolis Rolling Mill, where it was observed by some explorers from the Mahoning Valley, Ohio, who recognized its similarity, in external character, to the most highly-prized coals of Northern Ohio, and inquired as to the source from which it was obtained. Being informed, they at once entered upon its exploration. Lands were leased or purchased, capital flowed in, an active industry sprang up. The result now is, that there are six blast furnaces in operation, using raw coal alone, which are capable of turning out 50,000 tons of pig metal annually; and more than twenty collieries, raising 3,565 tons of coal daily, giving employment to nearly a thousand men and freighting fifteen railroad trains. The demand for this peculiar coal is insatiable, and far outstrips the mining development or the railroad facilities for its transportation."

The rapidity of this development will be better

understood, when it is stated that Pittsburg, one of the oldest and best established seats of iron industry in America, has only seven blast furnaces and produces less than 50,000 tons of pig-iron a year.

In relation to the future manufacture of iron in Indiana, Col. Foster says :

“There is no region of the earth where the ores of iron are so bountifully distributed, and in such a state of purity, as on the water-shed between Lake Michigan and Lake Superior, and in the Iron Mountain region of Missouri. Practically the deposits are inexhaustible, and so far as relates to the purity of the ores, the chemist’s art has thus far failed to detect a notable percentage of sulphur, phosphorus, titanium, or other noxious ingredient.

“After the opening of the Lake Superior Mines the iron-masters of Northern Ohio and Western Pennsylvania soon found that it was more economical to use a pure and rich ore from a distance, than a lean and impure ore from the immediate vicinity of their furnaces ; and the consequence is, that ‘the iron-ore traffic of Lake Superior, within the last ten years, has grown to prodigious proportions—the product in 1861 being only about 54,500 gross tons, while in the season just closed it reached nearly 1,000,000 tons.’ The growth in the traffic of the Iron Mountain ores of Missouri has been also very marked. The war of the Rebellion operated as a check on their mining ; but since the peace the traffic has been rapidly extending, and next year, I am assured by Mr. Chouteau, the product will reach 350,000 tons. ‘Thus, then, the ores derived from these two sources about equal, in furnace yield, the entire product in pig metal of the United States for the

year 1861'—a noteworthy fact in the development of the iron industry of this country. 'Block Coal is the cheapest and most available fuel in iron metallurgy. Now, if we consult a map on which are indicated the ore deposits and the deposits of fossil fuel, as well as the several routes of transportation, both natural and artificial, we shall find that bringing the iron ores and the coal together, for the manufacture of iron, can be effected more cheaply within the outline of the Block Coal region of Indiana than at any other point.'

"It should be borne in mind, too, that there is a market on the western slope of the Mississippi Valley for all the iron and steel which can be produced in the coal-field of Indiana for a long time to come, and she is nearly five hundred miles nearer that market than Pittsburg. With the best crude materials at command, the iron-master of Indiana, exercising a reasonable skill, ought to be able to defy competition."

A circumstance of the highest importance to the future traffic of the Indiana and Illinois Central Railway is, that each of the states between which its line is divided, is dependent upon the other for certain great staples necessary to its living. Thus the counties in Indiana are a grazing country needing the corn of Illinois for the fattening of their cattle, while those of Illinois are a prairie country comparatively destitute of timber and stone for building purposes, and of wood and coal for fuel. The road will thus be secured a local interchange of products along its line, corresponding to the interchange of coal and iron ores between greater distances. It is very seldom that the necessity for so large a traffic of this nature exists within so short a space as 150 miles.

The quantity of Block Coal lying directly upon the line is practically inexhaustible. Professor Cox states, in a letter already quoted, the whole of which will be found in a later part of this document, that "there will be available, by running switches to the distance of one mile on each side of the road, about 9,600 acres of Block Coal lands (equal to 15 square miles), which contain 133,814,400 tons, worth, at \$2.25 per ton (the present price of this coal at the mine), the enormous sum of \$301,084,800. The average combined thickness of the Block Coal beds on your road may be estimated at eight feet; this will give, on one acre, 13,939 tons, worth, at the price stated, \$31,363."

Among the assets of the Company, as will be hereafter stated in its proper connection, are about 2,000 acres of Block Coal lands, situated chiefly in Parke and Clay Counties.

E. C. Garlick, Esq., proprietor of the Brazil Iron Works, in the letter before quoted, and whose experience as an iron-master is of much value in this connection, writes as follows: "The great feature of the Eastern division of your road will be its connection with the Block Coal field. This is at once the most valuable and important deposit of bituminous coal yet discovered in this country. The mines near Brazil have been in operation but little more than a year (the letter is dated July 18th, 1871), and during the past winter the Terre Haute, Vandalia and St. Louis, Illinois Central, Indianapolis and St. Louis, Peru and Indiana Central Roads, could not supply cars enough to meet the demand or take the quantity that could have been mined. I am certain that the coal on the line, together with that to be reached to the South of it, will, within two years

from its completion, pay the operating expenses of the whole line. From an experience of about two years, during which time I have used this coal in the manufacture of pig-iron at Brazil, I have found that an article could be produced from either Lake Superior or Iron Mountain ores, superior to that made at either place with charcoal, and the quantity required to produce a ton of 2,268 lbs. was 4,000 lbs. for the entire blast. It is used raw, directly from the mine, and in its effect upon the iron, resembles peat charcoal (the best fuel known for the manufacture of iron) more than anything else.

The receipts of the Terre Haute and Vandalia road last winter, from the hauling of coal from November to February, were \$280,000, and might have been increased, with additional equipment. There are furnaces and a rolling mill at Brazil, belonging to the same corporation as the rolling mill at Decatur. These works will furnish twelve to fifteen cars per day from that point to Decatur."

The Hon. John R. Elder, President of the Indianapolis Water Works, in a letter of nearly the same date as that last quoted, writes:

"The great business of your road will be the coal trade. It is fair to estimate that the average consumption of each family is a car of coal during the year. If you estimate the number of families in the prairie country West of the Wabash, on and near the line of your road, that will look to it to supply them with fuel, you will see the business this one item will yield, to say nothing of the amount required for railroads, manufactories, and iron workers. At a moderate estimate, from 300 to 400 cars of Block Coal are now taken out

daily in the great Block Coal field from Carbon to Brazil, of which at least 75 per cent. goes to Chicago and the Northwest. The value of this Block Coal for family fuel, for railroads, and for the manufacture of iron, is only beginning to be appreciated; and its consumption will increase faster than facilities for transportation can be furnished. The Block Coal in this field is inexhaustible; 20 cars a day is a fair yield for a well-worked mine, and every 80 acres of land in the coal belt has coal enough to keep a mine running for 30 years. If your road can furnish transportation for this coal, it will give it at once as much business as old and long-established lines of road have, and this business will increase faster than you can furnish means of transportation. Your road runs over very fine quality of bituminous coal, and this great bed of Block Coal is within easy reach of it by switches.

In conclusion, I will say, that I have always considered your road the best unbuilt line in the State. Being as short and direct to St. Louis as any other, it has the great advantage of leading directly from the Eastern cities to that large territory lying between the Chicago and St. Louis routes, and is on the direct line of emigration. It cannot help but be one of the great trunk lines for travel."

OTHER MINERALS.

Besides Block Coal, there is an abundance of other bituminous coals, suitable for fuel and for manufacturing purposes, and some of them well adapted to the manufacture of illuminating gas. Seams of this character, and of large extent, are to be found both in Parke

and 'Vermillion Counties. For domestic use on the Illinois portion of the line, where fuel is wanting, this coal will be in constant and large demand.

Limestone, suitable for fluxing iron ores, is also abundant on the line. Sandstone, suitable for building purposes, is found in large quantities, and of the finest quality, in Parke County, where it assumes every shade of color from pure white to red and dark brown. This stone resembles the soft sandstones of France, which are so generally used in Paris for building purposes. When first quarried it is soft and easily wrought, but by exposure to the air it becomes as hard and durable as limestone.

A very fine white sandstone, suitable for the manufacture of the best qualities of glass, has been found near Roseville, 10 miles southerly of Montezuma, on the line of the Raccoon Valley road. It has already come into nearly exclusive use at the glass works at Indianapolis and Terre Haute. It will be in demand at Indianapolis and at all points along the line.

Fire clay, suitable for the manufacture of stone ware and porcelain, is found abundantly both in Parke and Vermillion Counties. It has, for many years, been carried thence to Toledo, and other Lake Cities, by the line of the Wabash and Erie Canal.

Iron ores yielding from 35 to 40 per cent, are also found in Parke County, and will be valuable to mix with the finer, but more costly, ores of Lake Superior and Missouri.

PROBABLE TRAFFIC OF THE ROAD.

While it is easy to point to the elements of future business, and to show that they give abundant promise of a satisfactory revenue, it is not possible to estimate the precise sources and details of that revenue. Such figures are often given in the prospective statements of unfinished roads; but they are entitled to very little confidence. The investor in the bonds of such a road will judge of its business prospects precisely as the subscriber to its stock. The former will need to satisfy himself that the interest and principal of the bond is made secure beyond any probable contingency, and the latter, that over and above operating expenses, maintenance, and interest, there is a reasonable certainty of profit on his investment. Each will look to all the surrounding circumstances to satisfy himself on these points. If the road runs through a country which has, or promises to have, products to be transported, in such quantities, and at such rates as to ensure a remunerative traffic; if it is honestly and prudently built—especially if it is built for cash; if it is in the hands of competent managers, who can be trusted to honestly receive and honestly account for its earnings; if all these conditions are satisfied, then it will be safe to expect such results from its operations, as have been realized by other roads, similarly situated, in the same locality, and operated under like conditions.

An examination of Poor's valuable Railroad Manual of the United States, for 1872-3, gives the following as the gross earnings, per mile, of several railways running through Indiana and Illinois, in an Easterly and

Westerly direction, and near to the line of the Indiana and Illinois Central:

Terre Haute and Indianapolis,	Gross Earnings.
average of 8 years, (1863 to	
71), on 85 miles, - - -	\$13,400 a mile.
Indianapolis and St. Louis, 72	
miles, (1871), - - -	9,325 "
Toledo, Wabash and Western,	
328 miles, (1871), - - -	17,500 "

There is no reason why the Indiana and Illinois Central should not, at an early day, earn as much per mile as either of the above roads; but it is not, of course, anticipated that it will do so immediately upon its completion. Its natural conditions are quite as favorable as those of either of the others; and, indeed, more favorable than the two first named, which are rival roads, beginning and ending in the same cities, and at their widest points of divergence, not more than seven miles apart. This road, on the contrary, runs through a belt of country averaging 15 miles in width on each side of its track, with no rival, pursuing an East and West direction, in that territory; the lands are more productive than between Indianapolis and Terra Haute, the coal deposits are equally rich and accessible, the markets are as near and more extensive, and the terminal connections open to it quite as valuable in respect of through business. Upon this point, the attention of the reader is particularly invited to the opinions of gentlemen of large railway, and other business experience, whose letters are to be found in a later part of this document. Nearly all of these state, without qualification, that the road will do as large, or a

larger business, than any road entering Indianapolis or Decatur.

The parties controlling the line of the Big Raccoon valley, from Montezeuma to Brazil, intend to complete it before the end of the present year. It will form a junction with the Indiana and Illinois Central on the East bank of the Wabash, and its traffic will cross the river on the bridge of the latter company. The parties principally engaged in this enterprise have a controlling interest in the Terre Haute and Indianapolis, and the Evansville, Terre Haute and Chicago roads; the two railways which, up to this time, have had the largest coal traffic, and which control most of the switches leading to the mines. This road is designed mainly for the carriage of coal, and it will undoubtedly have a very large business from its opening. Of all this business the Indiana and Illinois Central will be the Western outlet, and as the road will be finished at as early a day as the Western division, from Montezeuma to Decatur, can be completed, the latter will, for all purposes of Western coal traffic, be in a condition to be profitably operated before the Eastern division is built. It was with a view to this result, that the building of the Western division was undertaken first.

Under all these conditions, it is not unreasonable to expect, that the average gross earnings of the Indiana and Illinois Central, for the first five years after completion, will not be less than \$10,000 a mile. As will be shown hereafter, it will take but \$1,800 a mile to pay the interest on its First Mortgage Bonds.

WORK ALREADY DONE AND MONEY EXPENDED, AND COST AND MEANS FOR COMPLETION.

Thirty miles of the road, through Douglass County, Illinois, were finished and opened in the early part of July, besides about two miles of side track. The work has been done in a substantial manner, and the best materials used. The iron is of a very superior quality, of English manufacture, weighing 56 pounds to the yard, laid with Pratt's Patent Joints, and the ties are of white oak. It is pronounced by competent judges equal to any new road ever built in the West. Ties sufficient to complete the remainder of the Western Division have been purchased, and delivered along the line. The grading of the rest of the Western Division is nearly complete. The bridge across the Wabash at Montezeuma, is ready for the superstructure. The foundation of the piers and abutments were laid several years ago, and the work was completed about a year since. The bridge will be 820 feet in length, having four spans of 165 feet each, with a pivot draw span of 153 feet. The foundations are of solid masonry, and were designed for a superstructure of iron. Under the advice, however, of experienced engineers, it has been decided to build only so much of the bridge of iron, as will secure the road against an interruption of traffic in case of fire.

Considerable work has been done in the Eastern

Division, in opening cuttings at the more difficult points, and about \$200,000 expended. The construction of this Division will be more expensive than that of the portion in Illinois, owing to the fact that the country is crossed by numerous streams; but it involves no engineering difficulties, and it will be pressed forward to completion as soon as possible, as it will immediately furnish a large and valuable local traffic in coal and lumber, besides being indispensable for through business.

The amount expended on the road before it came into the hands of its present owners, was about \$750,000. Since the beginning of 1872, about \$650,000 more has been expended, making the cash expenditures to this time not less than \$1,400,000. Of the money spent by a former administration, about \$600,000 was spent prior to 1860, when the cost of labor was only half as great as now, and the same amount of work, and of results, could not now be got for a million⁴ of dollars. In addition to the cash expended, the Company has acquired nearly the entire right of way and of depot grounds by donation. The present value of the lands thus donated is not less than \$150,000.

All the work done under the present management, has been done for cash, on contracts accorded to the lowest responsible bidders, and the iron and other materials have been bought for cash. The residue of the line will be built in the same manner.

Careful estimates of the cost of completing the line were made before the work was resumed on the Western Division last spring. These estimates, which included a liberal equipment for a new road, amounted to \$3,760,510. The cost of iron was assumed at \$71 a ton. The large advance in its price which has since

taken place, if sustained, will add \$300,000 to this item alone, and will increase the cost of locomotive cars and other materials in like proportion.

MEANS FOR COMPLETION.

The Company is possessed of the following assets, all of which are of the value stated, and immediately available as the work progresses.

First Mortgage Bonds unsold, out of an issue of \$3,500,000,	\$3,300,000
County, City and Town Bonds, subscribed in Illinois,*	330,000
County, City and Town Subscriptions in cash in Indiana,	229,760
Individual Cash Subscriptions,	131,754
320 00 acres of land at \$10,†	320,000
70 city lots,	30,000
	<hr/>
	\$4,341,514

In addition to the above, the Company has a subscription from parties who now own a controlling interest in the property, which is absolute and subject to the call of Directors, from time to time, as needed for construction, to the amount of \$1,000,000. Of this sum \$500,000 has been assessed and nearly all paid in, a small amount only remaining due on a recent call, from absent but perfectly responsible parties. By

* Of this amount, \$140,000, subscribed by the County of Douglass, and by the towns in that county, were received upon completion of the line through the same.

† In this estimate, the lands are put at their value for agricultural purposes only. About 2,000 acres, however, have been found to be Block Coal lands in Parke and Clay and Owen Counties, which will eventually prove of great value, and will be retained for mining purposes. (See Prof. Cox's estimate of the value of such lands, on page 41.)

the terms of the subscription, a further amount of \$1,000,000 is subscribed by the same parties, contingent upon its being needed to complete the line.

SECURITY OF THE BONDS.

The first enquiry which is naturally and properly made by the purchaser of bonds, is as to what means other than such as will be realized by a sale of the bonds, have been put into the enterprise, or are pledged to it, and whether those means are adequate. The Indiana and Illinois Central Co. is prepared to answer that enquiry unreservedly.

The total issue of First Mortgage Bonds is \$3,500,000.

Against this, there has already been expended,	\$1,400,000
Remaining to be called from subscribers, absolutely,	500,000
Assets, exclusive of Bonds, as per preceding statement, (less \$140,000 received from Douglass County),	901,514
	<hr/>
	\$2,801,514
Remaining to be called from subscribers conditionally,	1,000,000

This statement makes no account of the value of the right of way and depot grounds, nor of coal lands, in excess of \$10 an acre.

The company has now no indebtedness, except what is covered by assessments due from responsible parties, and by the value of materials on hand—iron, ties, cars for construction purposes, &c.

The capital stock of the company consists of \$3,000,000 of Common and \$1,500,000 of Preferred Stock.

Assuming that the earnings will be \$10,000 a mile, as before estimated, the Financial Results of a year's working, would be as follows:

Gross earnings on 152 miles,		\$1,520,000
Less expenses of operation and main-		
tenance, at 60 per cent.,		912,000
		<hr/>
		\$608,000
Interest on \$3,500,000 at 7 per		
cent. (gold),	\$245,000	} *
Premium on gold at 12 per cent.	29,400	
Sinking Fund, $2\frac{1}{2}$ per cent. on		
gross earnings,	38,000	
	<hr/>	312,400
		<hr/>
Balance applicable to Dividends,		\$295,600

THE BONDS.

The Bonds are for \$1,000 each; they bear date July 1, 1871, and are payable in 30 years—July 1, 1901—to the Union Trust Company of New York, or bearer, in the City of New York, in Gold Coin. The interest, at 7 per cent. in gold, is payable semi-annually, January 1 and July 1, by coupons, either in the City of New York, or at the Union Bank of London, London, at the fixed exchange of £7 stg. They may be registered by the holder on the books of the Company in New York, and will thereafter pass only by transfer duly recorded on

* \$274,400 or \$1,809 a mile.

said books; but their transferability by delivery may, at any time, be restored, by a transfer to bearer, registered in the same manner. In case any interest shall be in default for six months after it is demanded, the principal will become due, and the collection of it enforced in the manner provided in the mortgage.

The Trust Deed, or Mortgage, is made to the Union Trust Company of New York, and covers the railway constructed and to be constructed, together with all the franchises of the Company, all lands acquired, or to be acquired, for railway purposes; all rolling stock, and other personal property, now owned, or hereafter to be acquired for such purposes; and all other personal property whatsoever, now belonging to the Company.

A copy of the Trust Deed and Bond, with the certificates of its registration, will be found on subsequent pages. Accompanying this document is a certificate from the recorders of all the counties through which the road is located, both in Indiana and Illinois, that there are no other prior mortgages, liens, or encumbrances upon the premises mentioned in said Trust Deed or Mortgage, or which can in any manner affect the same, on record in their several offices, than said Trust Deed or Mortgage, of July 1, 1871, and further, that their offices are the only offices, in said counties, for the registration or recording of deeds, mortgages, and other instruments of title to lands, lying in said counties.

CHARTERS AND ORGANIZATION.

The Indiana and Illinois Central Railway Company is a consolidated corporation, made up of two distinct companies, organized, the one in Indiana, and the other in Illinois, for the purpose of building a continuous line of railway, from Indianapolis to Decatur.

The Indiana Company, which bore the name by which the consolidated corporation is now designated, was organized under Articles of Association, December 30, 1852, in conformity with the General Railway Laws of Indiana. (See Acts of May 11, 1852; June 15, 1852; June 17, 1852, February 5, 1852, January 20, 1852, and February 22, 1853.)

The Illinois Company, which bore the name of the "Decatur and Indianapolis Railroad Company," was organized by Articles of Association, March 21, 1853; under authority of a special charter, (Act of February 8, 1853, "To Incorporate the Decatur and Indianapolis Railroad Company," and Act in amendment to same of February 20, 1854,) and in conformity with the General Railway Laws of Illinois. (See Acts of November 5 and 6, 1849).

The consolidation of the two companies was made by an agreement entered into between them on the 4th May, 1853; the same having been previously authorized in Indiana, by General Laws in relation to the consolidation of railway companies in that State, with other companies in Indiana, or in an adjoining State, (see Acts of February 23, and March 4, 1853), and in Illinois, by the special Acts in relation to the Decatur and Indianapolis Railroad Company above referred to, (Acts of February 8, 1853, and February 20, 1854.)

The last named statute recites and sanctions the consolidation previously made.

The validity of the organization thus effected has been passed upon, and affirmed, by the highest courts, both of Indiana and Illinois.

(Signed,) For the Board,

H. B. HAMMOND,

New York, August, 1872.

President.

[From the New York "Engineering and Mining Journal," of July 2, 1872.]

INDIANA BLOCK COAL IN COMPETITION WITH RIVAL FUELS.

BY JOHN S. ALEXANDER.

(Read at the Meeting of the American Institute of Mining Engineers,
May 22, 1872.)

During the past few years the block coal of Indiana has been talked about and written upon to such an extent, that almost every one at all interested in such subjects, has been made acquainted with the area and geographical position of the field, the quality and peculiar properties of the coal, the thickness of the veins, the manner of mining, etc. The writer, therefore, taking for granted that to those present all this is familiar ground, desires more especially to call attention to the position this coal takes in the market, and at those points of consumption where it is brought in direct competition with rival fuels.

Chicago, thus far, has been the chief consumer of Indiana block coal.

In the blast furnaces, rolling mills, and Bessemer steel works recently erected in or near Chicago, an opportunity has been offered to give this new fuel a thorough and severe test, and the almost unanimous opinion of all who have given it a trial is, that it will eventually displace Brier Hill coal in that market, as it has been found equally to be relied upon, whether in the furnace or rolling mill, and can be supplied with more regularity and at a much lower price. The greatest iron manufacturer in the West, after witnessing its behavior in the blast furnace, unhesitatingly pronounced it the best iron-smelting coal in the United States. The sincerity of this opinion is evidenced by the fact that he is now one of the very large consumers in Chicago.

The old Carondelet furnace, and the two large furnaces of the Vulcan Iron Works at Carondelet, near St. Louis, are now using Indiana block coal, one mining firm at Brazil having a contract for furnishing these furnaces with 150 tons per diem. The two ably and successfully-managed furnaces of the Vulcan Iron Works at Carondelet are now producing, by the use of block coal, pig iron of a very superior quality, equal to any manufactured in the United States, for Bessemer steel purposes. The yield of these furnaces is very large, the writer having seen an eight-hour cast made at furnace No. 2 which reached 18 tons, and the product of this furnace for the twenty-four hours preceding his visit was reported by the Superintendent, Mr. J. P. Withrow, to have been 47 tons of No. 1 foundry pig; this large yield being due, of course, to the use of 66 per cent. Iron Mountain ore.

The five successfully-operated furnaces at or near Brazil, and the one at Terre Haute, add their testimony to the favorable reputation Indiana block coal has acquired as a reducing agent, at Chicago and St. Louis.

In the different rolling-mills, located at Indianapolis, Ind., Decatur and Chicago, Ill., the puddlers who have tried it, all pronounce themselves better pleased with Indiana block coal than any fuel they use, claiming that the time and labor expended is less and the quality of the iron superior. The rolling mills, of which a large number have been erected throughout the West, are among the best customers the Brazil operators have upon their books.

The statistics of the American Iron and Steel Association show that, in 1871, the mills of Illinois rolled 40,026 tons of rail, of which 2,800 tons were steel, and re-rolled 51,152 tons, making a total production of 91,178 tons, which places Illinois next to Pennsylvania in the manufacture of railway bars.

Although the more interesting to the scientist, the

demand for this coal for the purpose of metallurgy has, thus far, been secondary to the requirements of railroad companies and manufacturers, who consume it largely as a steam generator.

Western railroad companies have, heretofore, as a general thing, used wood in their engines, the use of which is not only expensive upon the prairies, but compels long and frequent delays at wooding stations, and besides, does not produce the economical results which follow the use of coal, especially in moving freight trains. Many Illinois roads, such as the Illinois Central, and the Chicago, Burlington & Quincy, traverse the region of the inferior Illinois coals, and have largely made use of the sulphurous coals mined along their roads—to the great injury, however, of all those parts of the engines with which the burning fuel comes in contact. The development of the Indiana coal has supplied a much needed want in this direction, and as rapidly as the change can be brought about, coal-burning engines are displacing wood burners upon all the important roads accessible to this coal field, and the block coal is even driving the inferior coals out of the engines of many of the Illinois roads.

Mr. C. R. Peddle, late General Superintendent of the St. Louis, Vandalia, Terre Haute and Indianapolis Railroad, gave a certificate, which the writer has seen, setting forth that the entire length of the Western division, from Terre Haute to East St. Louis, 165 miles, has been run without the fireman being required to clean the grate bars—the runs being accomplished with one tender, or 6,000 lbs. of block coal. The Jefferson, Madison and Indianapolis, the Indianapolis, Cincinnati and Lafayette, the Michigan Central, and many other roads, have had block coal in use for many years, and always with most satisfactory results.

For use under the boilers of saw, woolen, and grist

mills, waterworks, etc., this coal is shipped to the large Western towns in all directions, shipments being made as far North as Milwaukee and Kalamazoo.

The Chicago Tug Association was induced, last season, to give one-half its fuel contracts to a Brazil firm, the other half being filled from the vicinity of Pittsburg. This season, however, of the forty-five tugboats in service at the port of Chicago, thirty-eight are using block coal, which is a sufficient evidence of the success of the experiment. Many of the large lake propellers are also using it, and so great has this lake trade become, that the Illinois Central Railroad Company has appropriated extensive docks for its accommodation. The facilities thus afforded for the transfer from car to vessel, and the low rates offered by returning ore craft, have induced some block coal shippers to seek a market among the blast furnaces of the Lake Superior iron region.

In conclusion, it is safe to make the statement that during the five or six years Indiana block coal has claimed the attention of consumers in the great West, no matter to what use it has been applied, it has never failed in a fair trial to fulfill all the requirements of a first-class fuel, but on the contrary, in every case within the knowledge of the writer, it has far exceeded the most sanguine expectations.

LETTERS FROM PROMINENT CITIZENS OF
INDIANA AND ILLINOIS, IN RELATION TO THE
ROUTE OF THE I. & I. C. RAILWAY, AND ITS PROS-
PECTS AND BUSINESS.

[From Professor E. T. Cox, *State Geologist of Indiana.*]

OFFICE OF STATE GEOLOGIST,
INDIANAPOLIS, ILL., July 18, 1871.

MR. H. B. HAMMOND,

President Indiana and Illinois Central Railway Co.

DEAR SIR:—In regard to the country through which your road passes, I can say that for agricultural purposes it is unsurpassed by any other district in the State. Good farms are opened along the line, and are in a fine state of cultivation. The uncultivated portions are heavily timbered with white oak, red oak, poplar, black walnut, hickory, etc. After crossing the Little Raccoon Creek, in Parke County, it enters the great block coal zone of Indiana, which is here from five to six miles wide, and contains at least two seams of coal, each of which will average from three to four and a half feet in depth; in places they may be worked by entries driven in at the outcrop; elsewhere by shallow shafts. The importance of this coal to com-

merce will be fully understood when I assure you that it is now looked upon as the best coal in the country for smelting or working iron and steel in all the various departments of its manufacture.

The pig-iron made with raw block coal is in every respect equal to charcoal iron made from the same ore. It contains a large amount of combined carbon, and, on account of its freedom from sulphur and phosphorus, is just the quality of pig required to make Bessemer steel.

In its physical structure the block coal differs somewhat from all other known non-caking coals in the world, and is the only coal of which it may be truly said that, in all the departments of the metallurgy of iron and steel, the product is fully equal to that obtained by the use of charcoal.

For locomotive use this coal gives universal satisfaction, and is, in fact, as good as wood. Being an open, free-burning coal, the exposed parts of the boiler receive a uniform heat, and the leaks caused by unequal expansion when caking coals are used are avoided. As it is free from sulphur no deleterious action is produced on the boiler-plates or fire-boxes, no clinkers are formed, and it burns completely to a white ash.

After passing Rockville in Parke County, the Western coal zone is reached. In this portion of the coal field the coal beds range from four to seven feet in thickness, and the belt is from twelve to fifteen miles in width. So far as known, all the coals in this zone are caking coals, with the single exception of a seam in Vermillion County, Indiana, near the line of your road; here there is a bed of coal seven feet thick, which contains a thin parting of fire clay. The

upper part of this bed is caking coal, and the lower, two and a half to three feet, is good block coal. The caking coals along the line of the Indiana and Illinois Central Railroad are well suited for general use, and it is my opinion that at some localities they will be found adapted to the manufacture of illuminating gas. The average combined thickness of the block coal beds on your road may be estimated at eight feet; this will give, on one acre, 13,939 tons, worth, at \$2.25 per ton, (the present price of this coal at the mine), \$31,363.

There will be available, by running switches to the distance of one mile on each side of the road, about 9,600 acres of block coal lands, which contain 133,814,400 tons, worth, at \$2.25 per ton, the enormous sum of \$301,084,800. The quantity of caking coal available to your road will, of course, be much greater, but the market for the latter is not nearly so good.

Besides the coals, there is on the line of your road limestone suited for fluxing iron ores and for building purposes; also heavy beds of brown sandstone that will make a handsome building stone.

At Highland, just after crossing the Wabash River, there is a thick bed of white fire clay that is of great value for manufacturing terra-cotta ware and stone ware. On Ore Creek, in Parke County, as well as some of the other branches that are crossed by the road in this county, there are valuable beds of earthy carbonate of iron, which will yield from thirty-five to forty per cent. of iron in the furnace.

Yours truly,

(Signed)

E. T. Cox,

State Geologist of Indiana.

[From JOHN R. ELDER, Esq., *President of the Indianapolis Water Works Company.*]

INDIANAPOLIS, July 17, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

DEAR SIR:—Having been over the line of your road a number of times, between this city and Decatur, Illinois, and being acquainted with the country through which it passes, it affords me pleasure to assure you that there is no railroad leading from this city that runs through as fine a country, or a country that will contribute as large a business for a railroad, both in freight and passengers, as your road. Along the entire line, from this city to the Wabash River, the country is thickly settled, the lands in a fine state of cultivation, the soil rich and productive, the improvements substantial and good, and the citizens enterprising and energetic. Along this part of the line is a belt of most valuable timber, that will at once contribute a large business to the road, and being the Blue Grass region of the state, large quantities of cattle and hogs are raised every year for the Eastern markets. On this part of the line are inexhaustible quantities of valuable building stone, coal, fire and potters' clays, and as your road crosses a number of streams affording abundance of water, I can see no reason why extensive manufacturing establishments and manufacturing towns will not be built up on its line to great advantage.

There is no part of Illinois that has richer land, or will contribute more local business to a railroad, than on your line from the Wabash River to Decatur.

Your line of road has long been a favorite one to most of our citizens, as they believe its construction

will be a good and paying investment to the Company, and contribute largely to the business of the city. You have my earnest wishes for its speedy completion.

Yours most respectfully,

JOHN R. ELDER,

Prest. Water Works Co.

[*From Hon. WILLIAM HENDERSON, President of the Indianapolis Insurance Company.*]

INDIANAPOLIS, 17th July, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

DEAR SIR:—I take pleasure in replying to yours of yesterday, to state that I have been familiar with the most of the country on the line of your road for over twenty years, and regard it as fully equal, in every regard, to any lines occupied by roads now built in Indiana. Many of them have paid and are now paying well on their cost, and I see no reason to doubt but this will pay as well as any of them. It passes through a tier of counties, both in Indiana and Illinois, of superb fertility, densely settled, and abounding with all the rich productions of the West.

I know of no better timbered country than that along your road in the State. In Parke County it crosses the celebrated block coal fields, and is therefore favorably situated for a profitable business in conveying coal. It is my judgment that you can rely with confidence on a business, from the beginning, that will pay a fair return on the cost of the road.

Yours truly,

W. HENDERSON, Prest.

[From Hon. THOMAS A. HENDRICKS, *late United States Senator from Indiana.*]

INDIANAPOLIS, July 18, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

DEAR SIR:—The road which your Company is engaged in building will run through a country of very great resources, and will command a business equal to any road entering this city, if properly managed. In this I speak of the business between its termini. Of its Western connections I am not sufficiently informed to enable me to speak of their influence upon its business. The enterprise is of great importance to our section, and I hope you will be entirely successful. The coal fields which you cross on a most favorable line will certainly contribute much to the freighting.

Very respectfully,

T. A. HENDRICKS.

[From THOMAS H. SHARPE, Esq., *Banker, Indianapolis.*]

INDIANAPOLIS, July 19, 1872.

H. B. HAMMOND, Esq., *President.*

DEAR SIR:—The Indiana and Illinois Central Railway has now assumed a position that insures its early completion from Indianapolis to Decatur, Ill. This railway line has long been considered by the wisest and most prudent citizens of Central Indiana and Illinois as most inviting for safe investment, passing, as it does, through Marion, Hendricks, Putnam, Parke, and Vermillion Counties, Indiana, rich in soil, rich in coal, both block and bituminous, largely abounding in our most

valuable timbers, walnut, oak, poplar, &c. In Illinois it passes through Edgar, Douglass, Pratt, and Macon, counties composed largely of the richest prairie lands of that rich State. This road extends 151 miles through our most productive Winter wheat lands, with almost every acre adapted to the production of corn and oats and all varieties of vegetables of this latitude, and now furnishing immense numbers of hogs, sheep and cattle, which will be largely augmented as railroad facilities are furnished. I can confidently state that I believe, that in the right hands and properly managed, it will compensate the stockholders well.

Respectfully yours,

(Signed)

THOS. H. SHARPE.

[From D. RICKETTS, Esq., President of the Union Railway Co., and Director and late President of the Jeffersonville, Madison and Indianapolis, and Director of the Bloomington and Western R. R. Cos.]

INDIANAPOLIS, JULY 19, 1872.

H. B. HAMMOND, Esq.

DEAR SIR:—Having for a great many years been familiar with the district of country through which your road runs, I, with pleasure, will state, that no district of country in the West is superior in point of fertility and variety of all kinds of the valuable products, and none superior, and few equal, even in districts where they have had all the advantages of railroad facilities for many years. Notwithstanding this district of country has been deprived of railroad facilities running East and West, I think no road built, or

to be built, leading from Indianapolis in any direction, will command a larger amount of local traffic, being, after it leaves Indianapolis a few miles West, without competition for that traffic by any existing road. And I can see no reason, under judicious and able management, that it cannot successfully compete for the immense amount of Western products destined for the East and the West.

Very respectfully,

D. RICKETTS,

President of the Union Railway Co.

[From Hon. JOHN H. FARQUHAR, *Secretary of State of Indiana.*]

INDIANAPOLIS, July 19, 1872.

H. B. HAMMOND, ESQ., *President.*

DEAR SIR:—Advised that you are about taking steps to secure the completion of the Indiana and Illinois Central Railway, it affords me very great pleasure to bear testimony to the importance of the enterprise, both to the citizens of Indiana and Illinois, and the public generally. The fact that it runs through the great coal fields of Indiana and the choicest and most fertile lands of both states, with termini East and West, securing important connections, secure its position as a first-class road and safe investment for capital.

Truly yours,

J. H. FARQUHAR,

Secretary of State.

[From THEO. P. HAUGHEY, Esq., *President of the Indianapolis National Bank.*]

INDIANAPOLIS, July 19, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

DEAR SIR:—I take pleasure in adding my testimony to others, that the construction of your road would result in developing the resources of as fine a body of land as there is in the State. It would, in my opinion, contribute more to the business of this city, than any road now built. I think there can be no doubt that when the road is finished, well stocked, and in good running order, it will do as large business as any of our roads, and should pay a good dividend on the amount required to build it. The country through which it will run, is a fine agricultural district, and abounds with coal, building material, poplar and walnut timber. This line of road has been freely canvassed for some time by our citizens, and it seems to be the universal opinion that it should be built, and when completed will be a success.

Yours truly,

THEO. P. HAUGHEY,
Prest. Indianapolis Nat. Bank.

[From WOOLLEN, WEBB & Co., *Bankers, Indianapolis.*]

INDIANAPOLIS, Ind., July 15, 1872.

H. B. HAMMOND, Esq.

DEAR SIR:—From our knowledge of the country traversed by the line of the Indiana and Illinois Central Railway, we feel justified in saying that in

point of fertility, population, and wealth, it is not surpassed by any region of equal extent in the states of Indiana and Illinois, if in the West. The whole extent is thickly settled and produces in abundance the agricultural staples of this latitude. Near the Wabash River it passes over the Indiana coal fields, abounding in both block and bituminous coal, and in addition to this, valuable timber in abundance is standing on the line of your road.

Judged by the result that other roads have attained in locations not so favorable as yours, we think that this road, if properly built and prudently managed, will pay a fair return on its cost.

Very respectfully,

WOOLLEN, WEBB & Co.

[From HON. C. Y. PATTERSON, Judge of the Circuit Court of Indiana, and Director in the Evansville, Terre Haute and Chicago R. R.]

TERRE HAUTE, Ind., July 2, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

MY DEAR SIR:—I am very familiar with the whole line of country through which your road will pass, having passed over it often, besides, you will go through two of the counties in my judicial district.

I have no hesitation in stating that your road when completed will pass over the best unoccupied territory in Indiana and Illinois. The belt of land through which it runs is regarded as the most fertile in the

West. The soil is rich, timber in abundance, coal in large quantities in Parke and Vermillion Counties, large fields of fire-clay for making brick to line iron blast furnaces, and plenty of stone along the line.

I believe that the local business, when developed, on your road, will pay you a handsome dividend without reference to through business.

Very truly, etc.,

C. Y. PATTERSON,

Judge Terre Haute District.

[From JOSEPHUS COLLETT, Esq., *President of the Evansville, Terre Haute and Chicago R. R., and Director of the St. Louis, Vandalia and Terre Haute R. R.*]

TERRE HAUTE, Ind., July 2, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway.

DEAR SIR:—I am familiar with the country through which the line of the Indiana and Illinois Central Railway passes, and I do not hesitate to say, that it is unsurpassed in fertility and wealth by any other portion of the States of Indiana and Illinois.

I can see no reason why your road, running as it does from Indianapolis directly West to Decatur, an important railroad centre of Illinois, shall not prove to be one of the most important and profitable lines in the West.

Respectfully,

J. COLLETT,

Prest. Evansville, Terre Haute & Chicago Railway.

[From HON. R. J. OGLESBY, *late Governor of the State of Illinois.*]

DECATUR, Ill., July 16, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

MY DEAR SIR:—The progress made toward the completion of the Indiana and Illinois Central Railway since its management has fallen into the hands of a new Company, assures the friends of the project that the day is not far distant when we shall welcome the completion of it from Indianapolis to Decatur. Our people are deeply interested in this great but long neglected enterprise, one so essential to our prosperity and that of a large and wealthy population occupying the centre of the richest agricultural district in our State. We know it will prove, when completed, one of the best and most desirable and profitable roads in the State of Illinois. Then let us have it—have it at an early day—this year, if possible—and you will see that it will realize all that has ever been predicted of it.

Very respectfully yours,

R. J. OGLESBY.

[From CHARLES RIDGELY, Esq., *Prest. of the Ridgely Iron Works, and Vice-Prest. of the Ridgely National Bank, Springfield, Ill.*]

SPRINGFIELD, Ill, July 17, 1872

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

TUSCOLA.

DEAR SIR:—I am informed that you have completed your road through the County of Douglass, and that you have arranged to place the whole of the remaining

part of the line under contract, so as to have it finished and running before the close of the year. Allow me to congratulate you on your success in getting the undertaking into so good a shape, and to express the hope that you may realize all of your reasonable expectations in regard to it. I have always thought that there was much in the enterprise to commend itself to the attention of railroad men. The road runs East and West, through the central belt of counties which are known as among the very richest and best in Illinois. It makes a short and direct route for the grain and other products of the country, *which tend more and more each year to seek a market at the seaboard without the delays and expenses attending the Elevator system of Chicago and other entreports.* It opens the way to the introduction of the block coal into all of the section of country traversed by it, as well as that reached by the Wabash and other roads with which it connects at Decatur. Besides this I think that you may anticipate a very heavy traffic from the hard wood lumber, which is so plenty and cheap on the East end of your line, and so scarce and high on the prairies further West.

With the breadth of country on each side of your line unoccupied by other lines, the local trade from freight and passengers alone, should give you a very fair business in a few years.

I can but think that the road once built, would be valuable to the country through which it runs, and profitable to the stockholders, and hence cannot refrain from expressing my congratulations as above.

Yours respectfully,

CHAS. RIDGELY.

[From Hon. EDWARD RUMMEL, *Secretary of the State of Illinois.*]

SECRETARY'S OFFICE,
SPRINGFIELD, July 17, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.
NEW YORK.

DEAR SIR:—I learn with pleasure that you are rapidly progressing with the construction of the Indiana and Illinois Central Railway, or, as it is familiarly termed, the "Air line road," between the cities of Decatur and Indianapolis. I can do no less than commend the sound business judgment of yourself and friends, in undertaking the completion of this old but valuable project, for I know of no unoccupied territory in the country that presents a greater combination of inducements for a railroad enterprise, than the section of country through which this line is projected. Heartily wishing you the utmost success in your undertaking, I am,

Most respectfully yours, &c.,

EDWARD RUMMEL,
Secretary of State.

[From PEDDECORD & BURROWS, *Bankers, Decatur, Ill.*]

DECATUR, Ill., July 15, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.
NEW YORK.

DEAR SIR:—Having learned from our mutual friend Mr. J. K. Warren, with great satisfaction, that rapid progress is being made in the construction of your road, and also that the character of the work is very superior,

we take pleasure in expressing to you, at his request, our opinion of the value of the enterprise to the country through which it passes, and to assure you that of the number of lines of Railway centering and to center here, in our city, the advent of no one of them has been looked for by our people with as deep an interest as yours.

In regard to its financial prospects, when completed, it ought certainly to be the peer of any road of equal length in this country that can present sound inducements as an investment, and in part, for the following reasons :

First. It is an almost due East and West line between the centers of the two great States of Indiana and Illinois.

Second. Its ability to command a large share of through traffic must be the natural result of its position.

Third. It traverses at equal lengths, the richest sections of both States, which nothing can develop as will this Railway.

And, lastly, it presents a valuable and peculiar feature of exchanges arising from the fact that the Indiana part is richest in the very materials that we, of Illinois, stand most in need of, while on the other hand, our Indiana neighbors consume large quantities of the cheap products of our Illinois section of the line, and which they now import, in preference to cultivating, wherever they have reasonable facilities for so doing.

In a word, we would consider this line, when completed, one of the most valuable Railway enterprises of its length in the West.

Congratulating you upon the progress already

attained, and the flattering prospects for the completion of the road at an early day,

We are very truly yours,

PEDDECORD & BURROWS.

[*From* HON. J. G. CANNON, of *Tuscola, Ill.*]

TUSCOLA, Ill., July 12, 1872.

H. B. HAMMOND, Esq., New York.

DEAR SIR:—I passed over, with excursion party, that portion of the Indiana and Illinois Central Railway that is completed through this (Douglass) County, and it is the opinion of every one, that so far *it is the best constructed new road in the West*. I am glad to hear that you intend to push the enterprise to an early completion. I am well acquainted with the line from Indianapolis to Decatur, and the country through which it passes, and am satisfied that the mineral wealth of the country traversed by that portion of the line in Indiana, is equal to that of any other section of the state, and I will say, without fear of contradiction, that the agricultural resources of the country, both in Indiana and Illinois, are not surpassed, and the same being already well developed, insures an immediate way business for your road, second to none in the West.

Yours truly.

J. G. CANNON.

[*From* HON. J. H. MOORE, *Representative in Congress from Decatur, Ill.*]

DECATUR, July 7, 1872.

JUDGE A. L. ROACHE.

DEAR SIR:—It was my pleasure, a few days since,

to pass over portions of the Indiana and Illinois Central Railway now in course of construction, and I desire to say to you, that this road, from Indianapolis, Ind., to Decatur, Ill., passes over as fine a section of country as can be found in the entire West. And the people who own these lands, through which your road passes, are not, for enterprise and industry, surpassed by any people in this country. Your road is destined to become a great thoroughfare for travel, and the richness of the country will give it inexhaustible products to bear away to the markets. Your enterprise cannot fail, I think, to secure the confidence of such men as are capable of appreciating its superior advantages.

Yours truly,

J. H. MOORE.

[From J. S. NEWMAN, Esq., *President of the Merchants' National Bank.*]

INDIANAPOLIS, July 18, 1872.

H. B. HAMMOND, Esq.

President Indiana & Illinois Central Railway Co.

DEAR SIR:—I traveled over the line of your railway from Indianapolis to Decatur by private conveyance a few years ago, and can most heartily say that for beauty and perfectness of location it is not excelled in any country, and the land is of the most sightly and fertile of the fertile West. The country on the line from Indianapolis, west for about seventy miles, is timbered land with the very best quality of timber, the index of good land, and lies in the most attractive manner. West of that to Decatur, Ill., the line passes through one of the most fertile and desirable prairie countries in

Indiana and Illinois, teeming with live stock and agricultural productions. The line also passes for many miles through a fertile country underlaid with the best qualities of the famous block and other mineral coals, unrivalled for smelting iron ores and forge work in the raw state. It is very difficult, in a concise statement, to do justice to the very attractive and fertile country through which it passes.

The line is very direct, and grades easy and almost without curves, and the road must earn handsomely, and do a heavy local and through business, and earn a large income.

Yours truly,

JOHN S. NEWMAN.

COPY OF THE DEED OF TRUST TO SECURE ITS FIRST
MORTGAGE BONDS, GIVEN BY THE INDIANA AND
ILLINOIS CENTRAL RAILWAY COMPANY, TO THE
UNION TRUST COMPANY OF NEW YORK, WITH
CERTIFICATES OF THE RECORDING OFFICERS
OF ALL THE COUNTIES ON THE LINE, THAT
IT IS A FIRST LIEN ON THE RAILWAY AND FRAN-
CHISES OF THE COMPANY.

CERTIFICATE OF RECORDING OFFICERS.

We, the undersigned, Records of the following Counties of the States of Indiana and Illinois, United States of America, duly elected or appointed and qualified as required by law to hold said offices, to wit :

Dan. C. Greenfield, of Marion County, State of Indiana ; Wm. Patterson, of Hendricks County, State of Indiana ; John Crane, Jr., of Putnam County, State of Indiana ; Elwood Hunt, of Parke County, State of Indiana ; Robert E. Stephens, of Vermillion County, State of Indiana ; A. B. Powell, of Edgar County, State of Illinois ; A. G. Wallace, of Douglass County, State of Illinois ; J. H. Waggoner, of Moultrie County, State of Illinois ; W. T. Foster, of Pyatt County, State of Illinois, and E. McClellan, per B. L. B., of Macon County, State of Illinois, the several and only counties through which the line of the Indiana and Illinois Central Railway passes, *do hereby severally certify*, each for himself, that a Mortgage or Deed of Trust bearing date July 1st, A. D., 1871, was duly recorded in our several offices, on the dates mentioned in our various certificates of Record made and annexed to said original Mortgage or Deed of Trust, true copies of which said Mortgage or Deed of Trust and our said Certificates are hereunto annexed. And we do hereby further severally certify, each for himself, that there are no other prior mortgages, liens or encumbrances upon the premises mentioned in said Mortgage or Deed of Trust, or which can in any manner affect the same, of record in our several offices, than said mortgage or Deed of Trust which bears date

July 1st, 1871, now on Record in this office, *and we do hereby certify*, each for himself, that his office is the only office for the Registry and Record of Deeds, mortgages and other instruments of title to lands in our several counties, in the States of Indiana and Illinois.

DAN. C. GREENFIELD,
Recorder of Marion County, State of Indiana.

WILLIAM PATTERSON,
Recorder of Hendricks County, State of Indiana.

JOHN CRANE, JR.,
Recorder of Putnam County, State of Indiana.

ELWOOD HUNT,
Recorder of Parke County, State of Indiana.

ROBT. E. STEVENS,
Recorder of Vermillion County, State of Indiana.

A. B. POWELL,
Recorder of Edgar County, State of Illinois.

A. G. WALLACE,
Recorder of Douglass County, State of Illinois.

J. H. WAGGONER,
Recorder of Moultrie County, State of Illinois.

W. T. FOSTER,
Recorder of Pyatt County, State of Illinois.

E. McCLELLAN, per B. L. B.,
Recorder of Macon County, State of Illinois.

INDIANA AND ILLINOIS CENTRAL RAIL-
WAY CO.

TRUST DEED.

This Indenture, made and entered into this first day of July, in the year one thousand, eight hundred and seventy-one, by and between the INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY, a consolidated corporation existing under and by virtue of the laws of the States of Indiana and Illinois, of the first part, and the Union Trust Company of New York, of the second part,

Witnesseth : That whereas, in pursuance of the power and authority in them duly vested, the said INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY have resolved to issue and negotiate a series of three thousand five hundred bonds, for one thousand dollars each, numbered from 1 to 3,500 inclusive, and amounting, in the aggregate, to three millions, five hundred thousand dollars, to be all equally secured by these presents, and to be of the tenor and substantially in the form following :

UNITED STATES OF AMERICA.

States of Indiana and Illinois.

No. _____

\$1,000,

INDIANA AND ILLINOIS CENTRAL RAILWAY CO.

*First Mortgage Seven per cent. Bond, free of Govern-
ment Tax.*

Know all men by these presents, That the INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY is indebted to the Union Trust Company of New York in the sum of

one thousand dollars in gold coin of the United States of America, which the said Company promises to pay to the said Union Trust Company or to the bearer hereof, on the first day of July in the year One thousand nine hundred and one, in the City of New York, with interest thereon at the rate of seven *per centum per annum*, payable in gold coin aforesaid, semi-annually, at the city of New York or London, at the holder's option, on the first days of July and January in each year, upon the presentation and surrender of the coupons hereto attached, as they severally become due; and in case of the non-payment of any half-yearly installment of interest, which shall have become due and been demanded, and such default shall have continued six months after demand, the principal of this bond shall become due in the manner and with the effect provided for in the trust deed securing its payment.

This is one of a series of three thousand five hundred bonds, each of one thousand dollars, of like tenor and date, numbered respectively from 1 to 3,500 inclusive, and amounting in the aggregate to three millions five hundred thousand dollars, the payment of each and all of which is equally secured by a deed of trust or mortgage bearing date the first day of July, Eighteen hundred and seventy-one, duly executed and delivered by the said Company, conveying the railroad of said Company with its present and future equipments, property and franchises, in the said deed of trust or mortgage mentioned, in which the said Union Trust Company of New York is Trustee.

This bond is entitled to the benefit of a sinking fund of two and a half per centum of the annual gross earnings of the said railway Company, created by said deed of trust, to be set apart annually for the redemption of said bonds, issued under and secured thereby.

And the said Trustee is required to invest such sinking fund in the bonds of this Company, at not exceeding

their par value or in the bonds of the United States of America.

This bond shall pass by delivery, or it may be registered by its owner on the books of the Company in the City of New York. After a registration duly certified hereon, no transfer, except on the books of the Company, in the City of New York, shall be valid; but its transferability by delivery may be restored at the option of the holder, by a transfer to bearer, registered as aforesaid.

This bond shall not become obligatory, until it shall have been authenticated by a certificate endorsed hereon and signed by the said Union Trust Company of New York.

In witness whereof, the said Company has caused its corporate name to be signed and its corporate seal to be affixed, and the same to be attested [SEAL] by the signatures of its President and Secretary, and has also caused the coupons hereto attached to be signed by its Treasurer this first day of July, in the year Eighteen hundred and seventy-one.

INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY.

President.

Secretary.

Now therefore, be it known that for and in consideration of the premises, and of the sum of one dollar to the parties of the first part, duly paid by the parties of the second part, and in order to secure the payment of the principal and interest of the said bonds, according to the tenor thereof, and of the coupons thereto annexed, the said INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY have granted, bargained, sold, transferred and conveyed, and by these presents do grant, bargain, sell, transfer and convey unto the parties of the second part,

their lawful successors in the trust hereby created, and assigns, all and singular the Railroad of the parties of the first part, or which the parties of the first part are by law authorized to construct, being the line of Railroad known and designated as the "INDIANA AND ILLINOIS CENTRAL RAILWAY," as the same is and hereafter shall be constructed, extending from the city of Indianapolis, in the State of Indiana, to the city of Decatur, in the State of Illinois, a distance of one hundred and fifty-one miles, together with all lands, tenements, and hereditaments acquired or to be acquired for the rights of way for the said Railroad hereby conveyed, and all the appurtenances thereto belonging; and also all lands acquired or appropriated for depots, superstructures, buildings, erections, and fixtures on the said line of railway and all tracks, bridges, viaducts, culverts, fences, and all houses, buildings and superstructures thereon or appertaining thereto, and all other property, real or personal, now owned or hereafter to be acquired by the party of the first part, their successors or assigns, for the construction, operation or management of said Railroad, including all locomotives, tenders, cars, and other rolling stock and equipment, machinery, tools, materials, and all and singular the other personal property of every nature, kind and description whatever, belonging to the said parties of the first part; and also all the franchises, powers, rights, and privileges now owned, possessed, or which may hereafter be by them acquired for the construction, maintenance and operation of said Railroad.

To have and to hold the above-mentioned and described premises, rights, franchises, Railroad, real and personal property unto the said parties of the second part, their successors in this relation and assigns, in trust for the several persons who may hereafter become the owners of any of said bonds without preference of any of such bonds over any of the others by reason of priority in the time of their issue, subject, how-

ever, to the use, possession, management, and enjoyment of said railroad, franchises and property by the said parties of the first part, and to their right to receive and take the tolls, incomes, revenues, rents, issues and profits thereof, so long as no default shall be made in payment of either the interest or principal of said bonds or any of them, and so long as the parties of the first part shall keep and perform the several covenants and agreements in said bond and in this instrument contained, and on their part to be kept and performed, and for the purposes and upon the conditions hereinafter stated.

First.—The parties of the first part will pay or cause to be paid the bonds herein mentioned and the interest thereon, according to the terms hereof, and all taxes, levies and assessments imposed and assessed, or which may hereafter be imposed and assessed upon the premises, franchises, and property hereby conveyed or intended so to be, and also the United States Government tax upon the interest payable on said bonds and each of them and represented by the coupons annexed to said bonds; and will, at their own cost and expense, do or cause to be done, all things necessary to preserve and keep valid and intact the lien or incumbrance hereby created.

Second.—In case default shall be made for six months in the payment of any interest upon either of said bonds when the same shall become due and payable, the whole principal sum mentioned in all and each of said bonds shall forthwith become due and payable, and the lien or incumbrance hereby created for the security and payment of such bonds may be at once enforced, anything herein to the contrary notwithstanding; and in such case it shall be lawful for the trustees then in office to enter upon all and singular the Railroad, property, and premises hereby conveyed or intended to be conveyed, and to

have, hold, use and operate the same until the same shall have been sold or otherwise disposed of, in pursuance of the power hereinafter mentioned or by virtue of the decree of some court of competent jurisdiction, and until such time, and from time to time, to make all needful repairs and replacements, and such useful alterations, additions and improvements to said Railroad as may be necessary for the proper working of the same, and to receive the tolls, freight, income, rents, issues and profits thereof; and after deducting the expenses of operating and managing the said Railroad and other property, and of the said repairs, replacements, additions and improvements, as well as just compensation for their own services, and for the services of such attorneys and counsel as they may have employed, to apply the moneys accruing as aforesaid, to the payment of the said bonds *pro rata*, and without discrimination or preference; and thereafter to pay over any surplus to the said parties of the first part, their successors or assigns, or as any court of competent jurisdiction shall order, and to restore the said Railroad and other property to the parties of the first part.

Third.— In case default shall be made and continue as aforesaid, the parties of the second part, or their successors in this trust, may, and upon the written request of the holders of at least Five Hundred of such Bonds then outstanding, shall foreclose this mortgage by legal proceedings, or sell or caused to be sold the said railway, franchises and property, real and personal, hereby conveyed or intended so to be, and all benefit and equity of redemption of the parties of the first part in and to the same and every part thereof, with the benefit of the franchises aforesaid, which said last mentioned sale shall be at public auction, at the City of New York, or at the City of Indianapolis, on previous notice of the time

and place of such sale, by advertisement, published not less than three times a week, for ten weeks, in at least two newspapers of general circulation, published in the City of New York, two in the City of Indianapolis, and two in the City of Decatur, and in such other places as may be required by law, and in such case said parties of the second part and their successors in this trust shall make and deliver to the purchasers of the said premises, good and sufficient deeds of conveyance, for the same in fee-simple, and said sale and conveyance shall be a perpetual bar, both in law and equity, against the parties of the first part, their successors and assigns, and all other persons claiming by, through or under them, of all right, title, interest or claim in or to said railroad, premises and property, and every part and parcel thereof. In case of such sale the said Trustees shall deduct from the proceeds of such sale, their just allowances for the expenses thereof, including attorneys and counsel fees, and all expenses which may have been incurred in operating, managing or maintaining the said railroad, or in managing the business thereof, as well as just compensation for the services of said trustees, and thereafter shall apply so much of the said proceeds as may be necessary, to the payment of the principal and interest of the said bonds then remaining unpaid, *pro rata*, without discrimination or preference; and any surplus remaining after such payment, shall be paid over to the said parties of the first part or as any Court of competent jurisdiction shall order.

Fourth.—At any sale of the aforesaid property, or of any part thereof, made by virtue of these presents, or by judicial authority, the trustee or trustees may purchase the property so sold, or any part thereof, on behalf of all the holders of the said bonds then outstanding, at a reasonable price, if but a portion of said property shall

be so purchased ; or, if all of it be purchased, then at a price not exceeding the whole amount of such bonds then outstanding, with the interest accrued thereon.

Fifth.—The parties of the first part in consideration aforesaid, further covenant and agree with the parties of the second part and their successors in this Trust, that they, the said parties of the first part, their successors or assigns, will on the first day of July, 1875, and on the first day of July, annually thereafter, pay to the parties of the second part or their successors as aforesaid, two and a half per cent. of the gross earnings of said Railway Company for the previous year, as a sinking fund, which moneys, together with all accumulations of interest thereon, shall be exclusively applied to the purchase and redemption of Bonds secured by these presents, at not exceeding their par value, or bonds of the United States, and which said purchases may be made in the discretion of the Trustee either at the New York Stock Exchange, in the City of New York, or at any public sale in said City, or after ten days' public notice in two or more daily papers in the City of New York, and which said purchases shall be made at the lowest possible price, and the Bonds of the said Railway Company so purchased, with the Coupons thereto attached, shall be immediately cancelled by the said parties of the second part, or their successors as aforesaid.

Sixth.—The Trustees hereby created and their successors may, in their discretion, upon the written request of the parties of the first part or their successors, sell, assign or transfer, any real or personal property owned or held by the said Company, and bound by the lien of this conveyance, and release the same from the lien hereby created, whenever, in the judgment of said Trustees, said property shall not be necessary for the operation and management of the said railroad ; and said Trustees

may also, in their discretion on like request, consent to any change in the location of the track of the said railroad, or of the depots or other buildings and structures of the said parties of the first part as may seem expedient, and said Trustees are authorized to make and deliver all instruments necessary or proper to effect such objects; provided, however, that such property shall not be sold at less than its full value, and in all cases the proceeds of said sales or transfers, and all lands, depots, or other buildings and structures, and all personal property acquired or purchased, in substitution for any so sold, assigned or released, shall be subject to the lien of this deed of Trust, and shall, upon demand, be conveyed or transferred to the Trustees and on the trusts herein.

And the parties of the first part covenant and agree that whenever they or their successors or assigns shall acquire any lands, equipments, property, or franchise of whatever nature or description, for use in connection with said railroad, they will hold the same, upon and subject to the trusts of this instrument until conveyance thereof shall be duly made and delivered to the parties of the second part or their successors; and shall and will, when thereunto requested, execute and deliver all such further deeds, conveyances, transfers and assurances in the law, for the better assuring unto the parties of the second part, and their successors, upon the trusts herein expressed, the Railroad, equipments, appurtenances, franchises, property and things herein before mentioned, and to which the said parties of the first part are or may hereafter become entitled, or may, in any manner acquire, for the use of the said Railroad, as by the said trustees, or by their counsel learned in law, shall be reasonably advised or required.

Seventh.—The Trustees hereby created or their successors in this trust, may resign the trust hereby imposed, and be discharged therefrom by giving thirty days' pre-

vious notice in writing, to the said parties of the first part, and said Trustees may likewise be removed by a court of competent jurisdiction ; and in case of the death or resignation or removal of any Trustee, the parties of the first part may, by resolution of their Board of Directors, thereupon appoint a new Trustee, and so from time to time the place of said Trustees may be filled in like manner ; but in case of neglect by the parties of the first part to appoint such new Trustee within three months after a vacancy shall have occurred as aforesaid, or in case the Trustee so appointed to fill such vacancy shall not be satisfactory to the holders of a majority in amount of said bonds then outstanding, the holders of such majority in amount of such bonds may, by writing under their hands and seals, appoint a new Trustee to fill such vacancy, and such appointment, so made shall supersede that which may have been made by the parties of the first part ; and it is further agreed, that in either of said cases all the estate, right, title, interest, power and control of the existing Trustee shall be divested, cease and determine, but without any discontinuance of the trust, and the new Trustee so substituted and appointed shall thereby become vested with all the estate, powers and authority granted to or conferred by these presents, without any further assurance or conveyance ; but the parties of the second part, or their successors in this trust, shall immediately execute all such conveyances and other instruments as may be fit and expedient for the purpose of assuring the legal estate in the premises to the Trustee so appointed.

Eighth.—The said parties of the second part, and their successors in this trust, may employ at the expense of the parties of the first part, such attorneys, counsel, clerks, or other agents as they may deem proper in the execution of the trusts hereby created, and shall be entitled

to just compensation for all services rendered by them in the execution of this trust, and to be reimbursed for all necessary expenditures, in and about the same, to be paid by the parties of the first part, unless herein otherwise provided ; provided, however, and it is expressly agreed that the said parties of the second part or their successors in this trust, shall be accountable for reasonable care and diligence only, in the performance of such trusts, and in the management of the said estate and property, and shall not be liable, accountable or responsible for the acts of any agent, depository or substitute employed by them, when such agent, depository or substitute shall have been selected with reasonable discretion.

Ninth.—Upon payment of the principal and interest of the bonds mentioned and intended to be secured hereby, these presents and the estate hereby granted shall cease and be void, and the parties of the first part shall be immediately and fully reinvested with the premises hereby granted in law, and in fact without any entry or other act whatever.

In witness whereof, the said INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY has caused this instrument to be signed by the President and attested by the Secretary of said Corporation, and the corporate seal thereof to be affixed hereto by the authority of the Board of Directors thereof for that purpose obtained, and the said Union Trust Company of New York have likewise caused this Instrument to be signed by the President and Secretary of said Corporation, and the corporate seal thereof to be affixed hereto by the authority of the Board of Directors thereof for that purpose

had and obtained, and have thereby signified their acceptance of the trusts herein before created.

INDIANA AND ILLINOIS CENTRAL RAILWAY CO.

By HENRY B. HAMMOND, *President.*

[SEAL.]

{ Indiana and Illinois Central } JOHN E. RISLEY, *Secretary.*
Railway Company.

Attest :

UNION TRUST COMPANY OF NEW YORK, *Trustee.*

By I. H. FROTHINGHAM, *President.*

[SEAL.]

{ Union Trust Company of } C. T. CARLTON, *Secretary.*
New York, 1864.

STATE OF NEW YORK, }
City and County of New York. } ss.

Be it remembered, that on the fifteenth day of April, in the year One thousand eight hundred and seventy-two, in the city and county aforesaid, before me, Charles Nettleton, a commissioner residing in said city, duly appointed by the Governor of the State of Indiana, to take acknowledgment and proof of the execution of deeds and other instruments in writing, under seal or not, to be used and recorded in said State, and take depositions, etc., personally appeared Henry B. Hammond, President of the INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY, personally to me known to be such President, and to be the identical person whose name is subscribed to the foregoing instrument of writing, as having executed the same, and acknowledged that the same was executed by him as such President, and attested by John E. Risley, the Secretary of said Company, grantor therein, and the seal of said Company affixed thereto by the said

Secretary, by order of the Board of Directors of the said Company, and as the free act and deed of the said Company for the uses and purposes therein mentioned, and at the same time and place, personally appeared before me, John E. Risley, Secretary of the said Company, personally to me known to be such Secretary, and to be the identical person whose name is subscribed to the foregoing instrument of writing as having executed the same, and acknowledged that the same was executed by the said Henry B. Hammond, President, and also by him the said John E. Risley, as Secretary of said Company, and the seal thereof affixed thereto by him as such Secretary, by order of the Board of Directors of said Company, and as the free act and deed of said Company for the uses and purposes therein mentioned.

In witness whereof, I hereto set my hand and affix my official seal as Commissioner of the State of Indiana, at my office in the City of New York and State aforesaid, this fifteenth day of April, 1872.

CHARLES NETTLETON,
*Commissioner for the State of Indiana,
 in the City of New York, State of New York.*

[SEAL.]

{ CHARLES NETTLETON, }
 { Commissioner of Indiana. }

STATE OF NEW YORK, }
City and County of New York. } ss.

Be it remembered, that on the fifteenth day of April, in the year One thousand eight hundred and seventy-two, in the city and county aforesaid, before me, Charles Nettleton, a commissioner residing in said City, duly appointed by the Governor of the State of Illinois, to take acknowledgment and proof of the execution of deeds

and other instruments in writing, under seal or not, to be used and recorded in said State, and take depositions, etc., personally appeared Henry B. Hammond, President of the INDIANA AND ILLINOIS CENTRAL RAILWAY COMPANY, personally to me known to be such President, and to be the identical person whose name is subscribed to the foregoing instrument of writing, as having executed the same, and acknowledged that the same was executed by him as such President, and attested by John E. Risley, the Secretary of said Company, grantor therein, and the seal of said Company affixed thereto by the said Secretary, by order of the Board of Directors of the said Company, and as the free act and deed of the said Company for the uses and purposes therein mentioned, and at the same time and place, personally appeared before me John E. Risley, Secretary of the said Company, personally to me known to be such Secretary, and to be the identical person whose name is subscribed to the foregoing instrument of writing as having executed the same, and acknowledged that the same was executed by the said Henry B. Hammond, President, and also by him, the said John E. Risley, as Secretary of said Company, and the seal thereof affixed thereto by him as such Secretary, by order of the Board of Directors of said Company, and as the free act and deed of said Company for the uses and purposes therein mentioned.

In witness whereof, I hereto set my hand and affix my official seal as Commissioner of the State of Illinois, at my office in the City of New York and State aforesaid, this fifteenth day of April, 1872.

CHARLES NETTLETON,

*Commissioner for the State of Illinois
in the City of New York, State of New York.*

[SEAL.]

{ CHARLES NETTLETON, }
{ Commissioner of Illinois. }

STATE OF NEW YORK, }
City and County of New York, } ss.

Be it remembered, That on this fifteenth day of April, A. D., 1872, before me, Charles Nettleton, a Commissioner, in and for the State of New York, duly appointed and commissioned by the Governor of the State of Indiana duly sworn, and dwelling in said City of New York, personally appeared I. H. Frothingham, the President, and C. T. Carlton, the Secretary of the Union Trust Company, of New York, who are to me personally known to be such, and they, the said I. H. Frothingham and C. T. Carlton, being by me severally duly sworn, did each depose and say : that he, said I. H. Frothingham, resided in New York, and that he, said C. T. Carlton, resided in New York, that he, I. H. Frothingham, was President, and that he, C. T. Carlton, was Secretary, of the said Union Trust Company of New York, they know the Corporate Seal of said Company, that the seal affixed to the instrument purporting to be the Corporate Seal of said Company, was such Corporate Seal ; that it was so affixed by order of the Board of Directors of said Company, and that they severally signed their names, thereto by the like order as President and Secretary of said Company respectively, and they, the said I. H. Frothingham and C. T. Carlton, also severally acknowledged the execution of the said instrument as the act and deed of the said Union Trust Company of New York.

In witness whereof, I have hereunto set my hand and affixed my official seal, the day and year in this Certificate above written.

CHARLES NETTLETON,
Commissioner for Indiana, New York.

[SEAL.]
 { CHARLES NETTLETON, }
 { Commissioner for Indiana }

STATE OF NEW YORK, }
City and County of New York. } ss.

Be it remembered, that on this fifteenth day of April, in the year of our Lord One thousand eight hundred and seventy-two, in the City and County aforesaid, before me, Charles Nettleton, a Commissioner residing in said city duly appointed and commissioned by the Governor of the State of Illinois, to take the acknowledgment and proof of the execution of deeds and other instruments in writing, under seal or not, to be used and recorded in said State of Illinois, and to take depositions, &c., personally appeared I. H. Frothingham, the President, and C. T. Carlton, the Secretary, of the Union Trust Company of New York, to me personally known to be such, and they (I. H. Frothingham and C. T. Carlton) being by me severally duly sworn, did each depose and say : that he, the said I. H. Frothingham, resided in New York, and that he, the said C. T. Carlton, resided in New York ; that he, said I. H. Frothingham, was President, and that he, the said C. T. Carlton, was the Secretary of the said Union Trust Company of New York ; that they know the corporate seal of the said Company ; that the seal affixed to the foregoing instrument purporting to be the seal of said Company, was such corporate seal ; that it was so affixed by order of the Board of Directors of said Company, and that they severally signed their names thereto by the like order as President and Secretary of said Company respectively ; and they, the said I. H. Frothingham and C. T. Carlton, also severally acknowledged that they had executed the said instrument as the act and deed of the said Union Trust Company of New York, for the uses and purposes therein expressed.

In witness whereof, I have hereunto set my hand and affixed my official seal as Commissioner of the said State

of Illinois, at my office in the City and County of New York and State aforesaid, this fifteenth day of April, A. D., 1872.

CHARLES NETTLETON,
*Commissioner of the State of Illinois,
 for the City of New York.*

{ [SEAL.]
 CHARLES NETTLETON,
 State and City of New York,
 Commissioner for the State of Illinois. }

State of Indiana, Marion County, ss.

Received for Record, this 15th day of June, 1872, at 2 o'clock, P. M., and recorded in Record of Mortgages, Vol. 23, Page

DAN. C. GREENFIELD,
 Recorder of Marion County.

State of Indiana, Hendricks County, ss.

Received for Record, this 29th day of May, 1872, at twenty-five minutes after eight o'clock A. M., and recorded in Record of Mortgages, Vol. 6, Page 202.

WM. PATTERSON,
 Recorder of Hendricks County.

State of Indiana, Putnam County, ss.

Received for Record, this 29th day of May, 1872, at ten minutes after three o'clock P. M., and recorded in Record of Mortgages, Vol. 6, Page 580.

JOHN CRANE, JR.,
 Recorder of Putnam County.

State of Indiana, Parke County, ss.

Received for Record, this 4th day of June, 1872, at thirty minutes after four o'clock P. M., and recorded in Record of Mortgages, Vol. 6, Page 290.

ELWOOD HUNT,

Recorder of Parke County.

By WHITE, Deputy.

State of Indiana, Vermillion County, ss.

Received for Record, this 4th day of June, 1872, at thirty minutes after two o'clock P. M., and recorded in Record of Mortgages, Vol. 4, Page 54.

ROBT. E. STEPHENS,

Recorder of Vermillion County.

State of Illinois, Edgar County, ss.

Received for Record, this 31 day of May, 1872, at 7 o'clock, A. M., and recorded in Record of Mortgages, Vol. 10, page 160.

A. B. POWELL,

Recorder of Edgar County.

State of Illinois, Douglass County, ss.

Received for Record, this 31 day of May, 1872, at 3 o'clock, P. M., and recorded in Record of Mortgages, Vol. 10, page 58.

A. G. WALLACE,

Recorder of Douglass County.

State of Illinois, Moultrie County, ss.

Received for Record, this 1st day of June, 1872, at 9 o'clock, A. M., and recorded in Record of Mortgages, Vol. 59, page 88.

J. H. WAGGONER,

Recorder of Moultrie County.

State of Illinois, Pyatt County, ss.

Received for Record, this 3 day of June, 1872, at 4 o'clock, P. M., and recorded in Record of Mortgages, Vol. 3, page 432.

W. F. FOSTER,

Recorder of Pyatt County.

State of Illinois, Macon County, ss.

Received for Record, this 3d day of June, 1872, at 15 minutes after 11 o'clock, A. M., and recorded in Record of Mortgages, Vol. 46, page 462.

E. McCLELLAN,

Recorder of Macon County.

per B. L. B.



